WRITTEN ANSWERS TO STARRED AND UNSTARRED QUESTIONS SET FOR THE 24TH APRIL, 1995*

Production and Demand of Sugar

@*281. SHRI VIREN J. SHAH :

SHRI PRAMOD MAHAJAN :

Will the Minister of FOOD be pleased to state :

(a) what is the estimated production and demand of sugar during the year 1995-96 and also the production and demand in 1993-94 and 1994-95;

(b) what steps Government have taken to ensure the normal production and availability of sugar to consumers at reasonable prices;

(c) whether there is any proposal to decontrol sugar; if so, what are the details and the present position in this regard;

(d) whether Government have examined the recommendations of the Gian Prakash Committee Report on sugar import scandal; if so, what are the details thereof; what has been the extent of loss caused to exchequer due to non coordination of Government Departments resulting in delay in the import of sugar and rise in its prices;

(e) what action Government have taken against each of the persons in the Ministry of Food, Food Corporation of India, STC, etc. found responsible for delay in import of sugar and losses caused to the exchequer; and

(f) what remedial steps Government have taken in this regard to check the recurrence of such a situation in future?

THE MINISTER OF FOOD (SHRI AJIT SINGH) : (a) Since sugar industry is an Agro-based industry, it is too early to estimate the production and demand for the year 1995-96.

The production and consumption of sugar for the sugar years 1993-94 and 1994-95 are as under :—

(In lakh tonnes)

Sugar Year	Production	Internal consumption
1993-94 (Prov.) . . .	98.12	111.37
1994-95 (Esti.)	133.00	117.93

(b) The measures taken/initiated by the Government in this regard are given at annexed statement. (*See* below).

(c) At present there is no proposal under consideration of the Government to change the existing policy of partial control on the distribution of sugar.

(d) to (f) The report submitted by Shri Gian Prakash, former Comptroller and Auditor General, has been placed in the Parliament Library. There is a reference in the report to the delay in the decision to import having been responsible for higher prices, as with loss of time imports were made at higher prices, while the administrative implications for this

@Previously Starred Question 97, postponed from 20th March, 1995.

*The sitting of the Raiya Sabha on Monday, the 24 April, 1995 was adjourned as a mark of respect in memory of Shri Morarji R. Desai, former Prime Minister of India Answers to Questions put down in the lists for that day were laid on the Table of the House on Tuesday, the 25th April, 1995.

have been gone into, the report does not mention any matter that would create any suspicion of malafides on the part of anyone.

As regards the administrative remedial measures recommended by Shri Gian Prakash, they have been examined by a Committee of Secretaries under the Chairmasnhip of Cabinet Secretary. The Committee has since submitted its report.

Statement

The Government have taken/initiated the following measures in order to give a boost to the sugar production and ensure its adequate availability to the consumers:—

(i) Early-crushing incentives have been announced in the form of higher freesale quota at 72 per cent as against the normal entitlement of 60 per cent, to sugar mills for the production achieved during the early crushing period (1-10-1994 to 15-11-1994) of 1994-95 season.

(ii) The Statutory Minimum Price (SMP) of sugarcane for 1994-95 season has been raised to Rs. 39.10 per quintal linked to the basic recovery of 8.5 per cent subject to a premium of Rs. 0.46 for every 0.1 per cent point increase in the recovery above that level upto 10 per cent and Rs. 0.60 for every 0.1 per cent point increase in the recovery above 10 per cent.

(iii) An advance announcement of SMP for 1995-96 season has also been made at Rs. 42.50 per quintal linked to a basic recovery of 8.5 per cent, subject to premium for higher recoveries.

(iv) The release mechanism is regulated in a judicious manner in order to maintain the price of sugar in the open market at reasonable levels to the consumer as well as to enable the producers to pay remunerative cane price to the growers.

(v) The sugar factories are required to sell and despatch their monthly free sale quota in a regulated manner.

(vi) Restrictions have been placed on sugar dealers regarding stock holding limits turn-over period, sale by one wholesaler to another etc. to ensure that there is no hoarding of sugar by trade.

(vii) Late crushing incentives have been announced in the form of higher free sale quota at 75 per cent, as against normal entitlement of 60 per cent, to sugar mills for the production to be achieved during the period 1-5-1995 to 31-7-1995.

Establishment of thermal power stations by CIL

*282. SHRI K. RAHMAN KHAN: Will the Minister of COAL pleased to state:

(a) how many thermal power stations have been established by Coal India Limited directly or through its subsidiaries;

(b) whether Coal India Limited is proposing to set up more thermal power stations at the Coal pits for supply of electricity; and

(c) what is the total production of power by Coal India Limited?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI AJIT KUMAR PANJA): (a) Three captive thermal power stations one each in Eastern Coalifields Ltd., Central Coalfields Ltd. and Bharat Cokjng Coal Ltd. have been set up.

(b) Yes, Sir.